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Programme budget for the biennium 2008-2009

Proposed programme budget for the biennium 2010-2011

Administrative and budgetary aspects of the financing of the United Nations peacekeeping operations

Proposal for risk mitigation measures to protect data and the information and communications systems of the Secretariat during construction work of the capital master plan

Report of the Secretary-General

I. Introduction

1. In its resolution 63/269, the General Assembly approved the proposal of the Secretary-General contained in his report on information and communications technology (ICT), disaster recovery and business continuity for the United Nations (A/63/743) to establish a new secondary data centre for United Nations Headquarters to replace the current secondary data centre in the DC2 Building in order to mitigate risks during the relocation of the primary data centre, as part of the capital master plan project, from its current location in the Secretariat building to its new, permanent location in the North Lawn basement. The Assembly also decided that any further proposal for risk mitigation measures during the construction work of the capital master plan, if necessary, should be reported in the context of the annual progress report on the capital master plan.

2. The present report responds to the above decision of the General Assembly and also provides an update on the implementation of the new secondary data centre, including the resources required for the biennium 2010-2011.

3. The request of the General Assembly in paragraph 15 of its resolution 63/269 for a permanent solution for the secondary data centre for Headquarters will be taken up in a report to be submitted at the main part of the sixty-fifth session in the

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context of the unified disaster recovery and business continuity plan, which will build on the principles and mandates relating to disaster recovery and business continuity established by Assembly resolutions 63/262 and 63/269. The report to be submitted to the sixty-fifth session will also build on the proposals contained in the report of the Secretary-General to the sixty-fourth session on enterprise systems and disaster recovery and business continuity and the decisions of the Assembly on that report.

II. Status of implementation of the secondary data centre

4. A consulting company, experienced in data centre relocation projects, has been engaged through the Office of the Capital Master Plan to provide expert advice to the Office of Information and Communications Technology, from April 2009, in planning the relocation of both the primary and the secondary data centres. The company has been involved in extensive discussions with owners and operators of all systems in an effort to identify the dependencies in their migration and to engage them in the migration effort.

5. In his above-mentioned report (A/63/743), the Secretary-General proposed that a commercial data centre facility be leased, starting on 1 July 2009, and the services of the International Computing Centre be obtained to install new ICT equipment in this "infrastructure-ready" facility, and that all systems be migrated from the current secondary data centre in the DC2 Building to the leased facility by 1 November 2009, that is, in time to provide a reliable backup during the relocation of the primary data centre.

6. The Secretariat has identified a suitable data centre facility in Piscataway, New Jersey, that meets its requirements, despite the challenging timetable referred to in the report of the Secretary-General (A/63/743, para. 22). The facility has a raised floor and adequate cooling and power, including backup power, with redundant capacity for power and cooling. The Secretariat has entered into a 30-month lease, commencing on 1 July 2009, with an option to extend, if necessary.

7. In the same report (A/63/743, para. 24), the Secretary-General also proposed that, in view of the strict time schedule and the associated costs attached to any delays, the Secretariat should enter into a service delivery agreement with the International Computing Centre under financial rule 105.16 (a) (iii) on cooperation with other organizations of the United Nations system. Under that agreement, the Centre would provide the necessary equipment and services to run the new secondary data centre. As proposed in the report of the Secretary-General, in order to ensure that the Organization may achieve a best value-for-money outcome from the Centre, a robust statement of work was prepared by the Office of Information and Communications Technology and issued by the Procurement Division to the Centre and to other vendors on 22 April 2009, in order to benchmark the estimates provided by the Centre.

8. In its proposal received on 7 May 2009, the International Computing Centre stated that it would be unable to meet the Secretariat's schedule for completion of the secondary data centre migration by 1 November 2009. On inquiry, it became apparent that the lead time for hiring suitable personnel and sourcing equipment made it unfeasible for the Centre to reduce the time needed to implement the proposed project, adhering to the mandatory timeline prescribed in the statement of

work. The Secretariat, therefore, deemed the proposal to be technically unacceptable and decided to execute the project without the assistance of the Centre and to enable the secondary data centre to be relocated in time to mitigate the risks during the migration of the primary data centre starting in November 2009.

9. Following the signing of the lease for the new data centre at the end of June 2009, the design of the fit-out of the racks for the ICT equipment in the new facility was completed and telecommunication links to the new facility ordered. The ICT equipment needed for the facility has also been ordered, and some of the equipment has already been delivered to the site. All other preparatory activities for commissioning the secondary data centre in the new facility are also under way.

10. In view of the decision not to engage the International Computing Centre for the implementation of the new secondary data centre, and in order to ensure the successful implementation of the project, the Office of Information and Communications Technology set up a dedicated project team with the experience and skills necessary to ensure proper execution. The skilled resources released for the project are being replaced so that the continuity of regular functions may be ensured. Additional contractual resources are also being hired to ensure that adequate skilled resources are available to execute the project within the planned schedule. The project will be implemented within the same time frame and within the same level of resources that were proposed when the International Computing Centre was to have been the implementing partner (details on the resources are included in part IV below).

11. The Office of Information and Communications Technology has also set up a small "mock" secondary data centre within the DC2 Building to facilitate the testing of the migration of systems to the new secondary data centre. This small-scale, limited-capacity version of the new secondary data centre can simulate certain critical features of the new secondary data centre so that problems, which are likely to be encountered when systems are migrated to the new data centre, may be anticipated and rectified in time for the actual migration.

12. The General Assembly, in its resolution 63/269 (para. 6), expressed regret that the proposal of the Secretary-General did not provide the necessary assurances that its implementation would sufficiently mitigate risks during the relocation of the primary data centre to the North Lawn at Headquarters. With the signing of the lease for the facility on schedule, the procurement of equipment, the hiring of personnel, including experts in planning the relocation of data centres, and the numerous other preparatory activities in progress, the Secretariat believes that the new secondary data centre will be operational in time to mitigate the risks during the migration of the primary data centre.

13. Notwithstanding the decision not to engage the International Computing Centre for the implementation of the new secondary data centre, the Secretariat anticipates using the Centre to manage some of the operations of the new secondary data centre, similar to the services that it currently provides for the primary and secondary data centres. This matter will be reviewed and decided upon in the context of the renewal of the current service delivery agreement with the Centre, which expires at the end of 2009.

III. Follow-up on other mandates

14. In its resolutions 63/262 (sect. IV, para. 7) and 63/269 (para. 9), the General Assembly requested that the Secretary-General ensure that the space originally leased in the United Nations Federal Credit Union (UNFCU) Building for the secondary data centre be fully utilized if it was not possible to terminate the lease. Within the overall relocation plan for the capital master plan, a suitable group has been identified to occupy the floor in the UNFCU Building that was formerly designated for the secondary data centre. Design of this office space is currently under way, and will be followed by fit-out and occupancy by the end of 2009.

15. In its resolution 63/269 (para. 15), the General Assembly also requested the Secretary-General to submit, no later than at the main part of the sixty-fifth session, a unified disaster recovery and business continuity plan, including a permanent solution for Headquarters. Related to this, in its resolution 63/262 (sect. IV, para. 13), the Assembly had also requested the Secretary-General to report, at the main part of its sixty-fourth session, on the possibilities for consolidating and using the most reliable and cost-effective solutions for data storage, business continuity services and hosting of enterprise systems. In response to the provision of resolution 63/262, the report of the Secretary-General to the sixty-fourth session on enterprise systems and disaster recovery and business continuity presents a framework for a unified approach to disaster recovery and business continuity for ICT. It highlights the principles that will guide the refinement of the strategy for an Organization-wide disaster recovery and business continuity plan and puts forth an action plan, outlining the processes, timelines and resource requirements for delivery of a comprehensive plan to address the requirements of the Secretariat as a whole. The implementation of the action plan and the results of the analysis undertaken as part of this strategy will influence the decision relating to the permanent solution for United Nations Headquarters, in particular the size and location of the secondary data centre. The Secretary-General intends to report on the permanent solution for the secondary data centre at United Nations Headquarters as part of the unified disaster recovery and business continuity plan during the main part of the sixty-fifth session.

IV. Resource requirements

16. In its resolution 63/269 (para. 12), the General Assembly approved the amount of $5,096,880 to be absorbed within the budget of the capital master plan during 2008-2009 and $2,031,860 to be financed from the resources to be approved for the support account for peacekeeping operations from 1 July 2009 to 30 June 2010.

17. In the proposal contained in the report of the Secretary-General (A/63/743, table 1) it was assumed that the International Computing Centre would lease ICT equipment and provide services related to the new secondary data centre. As a result of the decision not to engage the Centre, owing to its inability to meet the mandatory schedule for the project, the Secretariat was required to purchase and/or lease all the equipment directly. This change in approach resulted in a need to realign the resources approved. In addition, owing to the prevailing market conditions, the Secretariat was also able to obtain an advantageous rate for the lease of the new data centre facility. The changes in the project cost for the period from

July 2009 to December 2011 and the distribution of costs among the objects of expenditure are shown in table 1.

Table 1
(Thousands of United States dollars)

Object of expenditure	*As per the proposal of the Secretary-General (A/63/743)*	*Revised estimate presented to Fifth Committee during first resumed part of sixty-third session*	*Current estimate*
Non-recurrent expenditures			
Contractual services			
Commissioning equipment	994.7	994.7	836.4
Migrating applications	1 000.0	1 000.0	850.2
Furniture and equipment			
Data centre equipment	—	—	2 256.2
Travel	—	—	94.8
Recurrent expenditures			
General operating expenses			
Lease of data centre facility	11 070.0	8 070.0	6 191.8
Contractual services			
Data centre equipment and services[a]	12 672.8	11 632.8	—
Data centre services (other contractors)	—	—	3 613.3
Furniture and equipment			
Data centre equipment and lease	—	—	7 854.8
Total	**25 737.5**	**21 697.5**	**21 697.5**

[a] International Computing Centre.

18. The current estimates for the project include:

(a) $1,686,600 for contractual services to cover the non-recurring costs for setting up the equipment and systems in the new data centre;

(b) $2,256,200 for the purchase of equipment for the data centre;

(c) $94,800 for system experts from within the United Nations Secretariat to travel to Headquarters to assist in the migration to the secondary data centre;

(d) $6,191,800 for the lease of the facilities, including space, power and cooling;

(e) $3,613,200 for contractual services to operate and maintain the data centre;

(f) $7,854,900 for data centre equipment maintenance and leasing costs.

19. It is proposed that, for the secondary data centre, the current cost-sharing arrangement, whereby 20 per cent of the costs are met from the peacekeeping support account and 80 per cent from the regular budget, be continued, on the basis of the proportion of capacity in the Headquarters data centre used for peacekeeping and non-peacekeeping operations. In line with the earlier decision of the General Assembly in its resolution 63/269, it is the proposal of the Secretary-General to

continue the funding arrangement, whereby the regular budget portion would be funded from the capital master plan project.

20. The revised resource requirements for the secondary data centre for the period from July 2009 to December 2011 by cost-sharing arrangement are set out in table 2.

Table 2
(Thousands of United States dollars)

	Regular budget/ capital master plan		*Peacekeeping budget*			
Object of expenditure	*2008-2009*	*2010-2011*	*1 July 2009-30 June 2010*	*1 July 2010-30 June 2011*	*1 July 2011-31 Dec. 2011*	*Total*
Non-recurrent expenditures						
Contractual services						
Commissioning equipment	533.7	—	302.7	—	—	836.4
Migrating applications	740.0	—	110.2	—	—	850.2
Furniture and equipment						
Data centre equipment	1 823.8	—	432.4	—	—	2 256.2
Travel	—	—	94.8	—	—	94.8
Recurrent expenditures						
General operating expenses						
Lease of data centre facility	1 515.2	3 223.0	687.6	422.5	343.5	6 191.8
Contractual services						
Data centre services (other contractors)		3 147.7	—	314.1	151.4	3 613.3
Furniture and equipment						
Data centre equipment maintenance and lease	484.2	5 886.7	404.1	583.6	496.3	7 854.8
Total	**5 096.9**	**12 257.4**	**2 031.8**	**1 320.2**	**991.2**	**21 697.5**

V. Actions to be taken by the General Assembly

21. **The General Assembly is requested:**

(a) To approve the total revised estimated cost of the project of $21,697,500;

(b) To approve the continued use of the cost-sharing arrangement for the new secondary data centre, approved in its resolution 63/269;

(c) To approve the resource requirements for the regular budget share of the project in the biennium 2010-2011 of $12,257,400 to be funded from the approved capital master plan budget;

(d) To note that the future remaining requirements under the peacekeeping support account estimated at $1,320,200 will be included in the peacekeeping support account proposals for the period from 1 July 2010 to 30 June 2011 and that an estimated amount of $991,200 will be included in the proposals for the period from 1 July 2011 to 30 June 2012.